

191—15.69(507B) Applicability and scope.

15.69(1) These rules shall apply to any recommendation to purchase or exchange an annuity made to a consumer by an insurance producer, or by an insurer where no producer is involved, that results in the purchase or exchange recommended.

15.69(2) Unless otherwise specifically included, this rule shall not apply to recommendations involving:

a. Direct-response solicitations where there is no recommendation based on information collected from the consumer.

b. Contracts used to fund the following:

(1) An employee pension or welfare benefit plan that is covered by the Employee Retirement and Income Security Act (ERISA);

(2) A plan described by Section 401(a), 401(k), 403(b), 408(k) or 408(p) of the Internal Revenue Code (IRC) if established or maintained by an employer;

(3) A government or church plan defined in Section 414 of the IRC, a government or church welfare benefit plan, or a deferred compensation plan of a state or local government or tax-exempt organization under Section 457 of the IRC;

(4) A nonqualified deferred compensation arrangement established or maintained by an employer or plan sponsor;

(5) Settlements or assumptions of liabilities associated with personal injury litigation or any dispute or claim resolution process; or

(6) Formal prepaid funeral contracts.